

REMARKS

Claims 1, 2, 3, 7, 12, 14-21, 23, 25, 27-31, 35, 40, 42-49, 51-53, 55-61 and 63 are in the case and presented for consideration.

The undersigned thanks the Examiner for the cordial and useful telephone interview of October 15, 2003, during which this application was discussed.

The undersigned indicated his intentions to submit an amended set of claims with key limitations added to each of the independent claims. With these limitations, each independent claim is believed to define an unobvious and patentably distinct invention over the prior art, in general, and specifically, over the combination of the Alexander reference taken with U.S. Patent 6,202,060 to Tran.

Turning first to the final action, the Examiner has rejected former Claims 1-65 as being obvious under 35 U.S.C. 103 from a combination of the Alexander reference ("Risk Management and Analysis") in view of the U.S. Patent to Tran.

The Examiner correctly cites sections of the Alexander reference which discuss a plurality of risks affecting an operation being managed, determining actual risk level values for these risk factors and identifying these levels as either being acceptable or unacceptable. Alexander also teaches presenting this information in the form of a report.

The Examiner correctly indicates that Tran teaches generating spread sheets and other features relevant to the present invention.

It is sincerely believed, however, that a fair reading of both Alexander and Tran and any obvious combination of the teachings of both of these references, would not lead those skilled in the art to find the present invention obvious, as defined by the claims now presented.

Turning specifically to Claim 1, Claim 1 has now been amended to include the fact that the plurality of factors are, in fact, “financial risk factors” and that these factors affect “a financial operation”.

Claim 1 also includes limitations previously found in Claims 5 and 9 which categorize each risk factor as having a risk level value, which is either in an acceptable range or an unacceptable range. Claim 1 is also now limited to features found in Claims 6 and 10; namely, that each range of risk level value is associated with a different color.

Claim 1 goes on to require that the risk management report be generated so that an indication color is displayed adjacent each risk factor and also that the actual risk level value be listed in the proximity of the risk factor and the associated indicia color. These are features found in Claims 4 and 8.

Claim 1 ends with the requirement that the risk factors, the risk level values for the factors and the visual indicia colors, all be presented in parallel lines on the report.

The method of Claim 1, thus, provides to the manager of the financial operation, a very easy to read report that provides an extremely fast indication of problem areas (namely, by finding the color associated with an unacceptable risk level value). The manager's eye is immediately directed to the adjacent area of the report where the manager can find the offending risk factor and the actual value associated with that factor.

Turning to the references, although in Fig. 17 of Tran, the skilled artisan is taught the usefulness of generating a spread sheet, it is not seen where Tran suggests lining up the risk factors with the risk level values and the visual indicia colors in parallel rows nor even associating particular risk factors and their range of levels with different colors.

In Alexander, for example in Fig. 6.2 of that reference, a four axis graph with color coding is utilized, but this has neither the layout called for in Claim 1, nor would it quickly draw a manger's eye to a problem area.

It is not seen how the person of ordinary skill in this field of financial reporting would combine these two references to reach the limitations of Claim 1 in any obvious manner. The skilled artisan would have to bring more to the combination than is taught by either reference alone or any obvious combination of these references or, in fact, any of the other prior art which the undersigned is aware of.

To help the Examiner further appreciate the usefulness of the present invention, attached to this amendment please find a color photocopy of the first page of a recently generated report. This report also includes another feature of the invention illustrated by Fig. 4 of the present application and discussed on page 17, lines 11-21 of the specification. Specifically, this is the accumulation of risk factors into areas of similar tolerance. For example, all risk factors for which the financial institution has low tolerance are accumulated in the left hand group of columns under the heading "HIGH RISK". Medium risk or medium tolerance factors are in the middle and low risk or factors that are not very important are in the right-hand column.

Claims 2 and 3 are directed to these features which are believed to distinguish the invention even further from the prior art.

Claim 7 specifically identified red and green as the respective unacceptable and acceptable risk level value ranges, and Claim 12 introduces a third level associated with a likewise different color.

Claim 14 identifies red, yellow and green as the respective colors for the grades of acceptability for the different ranges of risk level value, and Claim 15 specifically requires the report to be presented in spread sheet fashion with the parallel lines for the respective risk factor, factor value and indicia color, being columns.

Claims 16 and 17 further limit Claim 15 by requiring additional features in the spread sheet format, specifically, the use of programming formulas to generate the risk level values.

For the reasons mentioned above, these claims are all believed to be allowable under 35 U.S.C. 103 and in condition for allowance.

Independent Claim 18 is also a method claim and is also limited to generating a report containing financial risk factors for a financial institution, the listing of the risk level values along with an adjacent each risk factor, and a different visual indicia color for each range of factors that are either acceptable or unacceptable. As with Claim 1, the listed factor, value and indicia color are lined up one next to the other for a quick and easy identification of problem areas and also a quick presentation of the extent of the problem area by listing the factor and the value for that factor.

Claims 19-21, 23, 25, 27 and 29 further limit Claim 18 and further highlight other advantageous features of the invention which are believed patentable over the prior art.

Independent Claim 9 is directed to a reporting system, rather than a method, but also is limited to financial risk factors for financial operation, the use of a report listing the risk factors, the values determined for each factor and the indicia color for each range of factors that are either acceptable or unacceptable. Again, these three indicators are lined up in parallel rows and adjacent each other for a quick visual display of problem areas and then, the detailed information that the manager should look at to quantify the problem area.

Claims 30, 31, 35, 40, 42 and 43-49, as well as Claims 51, 52, 53 and 55, further limit the statement of the invention in Claim 29 and are believed again, to further distinguish the invention over the prior art.

Independent Claim 56 is directed to the report itself, but again, defines financial risk factors, the listing of the factor, as well as the value for that factor and an associated indicia color for acceptable or unacceptable ranges for those factors, and the lining up of these three indicators, namely, the factor itself, the value for the factor and the indicia color.


Claim 56 also, however, divides the report into a plurality of separate visual areas, each corresponding to one of a plurality of risk factor tolerance levels.

The remaining dependent Claims 57, 58-61 and 63 further limit Claim 56 and are likewise believed to distinguish the invention over the prior art taken separately or in any combination.

During the telephone interview, the Examiner offered to contact the undersigned by telephone if any matters remain to try and reach a conclusion to the prosecution of this application.

Accordingly, further favorable consideration is respectfully requested.

Respectfully submitted,


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PCM:al
Encs.

Union State Bank

Risk Management Report

Branch Administration Department

Date: June 30, 2003

Risk Manager: Frank Morina

Significantly below Bank standards. Corrective action necessary.

Yellow

Acceptable, but below Bank standards.

Proactive, early action necessary.

In compliance with Bank standards.

REGULATORY RISK			OPERATIONAL RISK		
1. Last compliance regulatory exam rating. (602 FDIC&NYS)	#		20. Bankwide efficiency ratio.	##	%
2. Tellers over & shorts for the quarter.	###		21. Last Safety and Soundness exam rating. (602 NYS)	##	
3. Branch charge-offs for the quarter.	###		22. YTD budget vs. actual on deposits (% variance).	##	%
4. Oldest Open Int. Audit, D&T, Regulatory, FDICIA exception (months since distribution date).	##		23.		
5. Deposit Market share - Rockland County (602).	##	%	24. Current quarter Internal Audit Report Rating - North Broadway (#02-54)	#	
6. Deposit Market share - Westchester County (602).	##	%	25. YTD budget vs. actual on Employee Expenses (% variance). (Branches only)	##	%
7.			26. YTD budget vs. actual on Occupancy Expenses (% variance). (Branches only)	##	%
8.			27. YTD budget vs. actual on Operating Expenses (% variance). (Branches only)	##	%
9.			28. # of branch managers' meetings in the last 12 months.	##	
10.			29. Current quarter Internal Audit Report Rating - New Rochelle (#02-56)	##	
11.			30. % of branches complying with alarm testing for the quarter.	##	%
12.			31. Current quarter Internal Audit Report Rating - Centralized Cash (#02-58)	##	
13.			32. Current quarter Internal Audit Report Rating - Ossining (#02-60)	##	
14.			33. YTD non-interest income - % variance (branches only).	##	%
15.			34. Teller trainees over & shorts for the quarter.	##	
16.			35. Current quarter Internal Audit Report Rating - Suffern (#02-61)	##	
17.			36. Current quarter Internal Audit Report Rating - Central Nyack (#02-63)	##	
18.			37. Functional Cost of Funds (Branch Only)-6/30/03	##	%
19.			38. Current quarter Internal Audit Report Rating - 4 N. Main Street (#02-65)	##	
			40.		
			41.		
			42.		
			43. Months since last Board approval of Branching Policy. (12/18/02)	##	
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